

2-126A001

DONELAN, CLEARY, WOOD & MASER, P. C.

ATTORNEYS AND COUNSELORS AT LAW
SUITE 850

1275 K STREET, N. W.

WASHINGTON, D. C. 20005-4078

TELEPHONE: (202) 371-9500

TELECOPIER: (202) 371-0900

RECORDATION NO. 13660-B FILED 1425

MAY 5 1992 -9 10 AM

INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 13660-C FILED 1425

MAY 5 1992 -9 10 AM

INTERSTATE COMMERCE COMMISSION

May 5, 1992

Recordation No. 13660

RECORDATION NO. 13660-D FILED 1425

MAY 5 1992 -9 10 AM

INTERSTATE COMMERCE COMMISSION

\$48.00 filing fees

Dear Mr. Strickland:

On behalf of Confederation Leasing Limited, I submit for filing and recording under 49 U.S.C. Section 11303(a) and the regulations promulgated thereunder, executed counterparts of three secondary documents, not previously recorded, entitled:

1. Acknowledgment of Lease Amendment, effective 13660-B
January 1, 1988, acknowledgment made as of
March 31, 1992 ("Amendment");
2. Assignment of Lease, made as of January 1, 1992 -13660-C
("Greyvest Assignment");
3. Assignment of Lease, made as of March 31, 1992 13660-D
("Canada Lease Assignment").

1. The parties to the Amendment are:

Greyvest Leasing, Inc. - Lessor
Suite 1300
20 Adelaide Street East
Toronto, Ontario M5C 2T6
Canada

Canadian Pacific Limited - Lessee
Suite 918
40 University Avenue
Toronto, Ontario M5J 1T1
Canada

MAY 5 9 05 AM '92
MOTOR VEHICLE UNIT

Counter Parts - G. H. Hamman

The Amendment acknowledges that certain Lease Amending Agreement of January 1, 1988 wherein certain provisions of the Lease of Railroad Equipment dated April 1, 1975 and recorded under Recordation No. 13660 on June 11, 1982, are changed and the identification of the units covered are restated.

The Amendment should be recorded under Recordation No. 13660- *B* .

The equipment covered by the Amendment is identified in Schedule "A" and Schedule "B" thereto, namely 563 hopper cars.

A short summary of the Amendment to appear in the ICC Index is as follows:

"Covers 563 hopper cars, NAHX and CPAA numbers"

2. The parties to the Greyvest Assignment are:

Greyvest Leasing Inc. - Assignor
Suite 1300
20 Adelaide Street East
Toronto, Ontario M5C 2T6
Canada

Canada Lease Financing (Western) Ltd. - Assignee
Suite 1300
20 Adelaide Street East
Toronto, Ontario M5C 2T6
Canada

The Greyvest Assignment sells, transfers, conveys and assigns to Assignee all right, title and interest of Assignor in, to and under that certain Lease, as amended, filed and recorded under Recordation No. 13660.

The Greyvest Assignment should be recorded under Recordation No. 13660- *C* .

The equipment covered by the Greyvest Assignment is as covered by the Lease under Recordation No. 13660, as amended.

A short summary of the Greyvest Assignment to appear in the ICC Index is as follows:

“Covers units in Lease, as amended”

Please also index the Greyvest Assignment under the name of the Assignee, Canada Lease Financing (Western) Ltd. in the “Vendee” Index Book (“white pages”).

3. The parties to the Canada Lease Assignment are:

Canada Lease Financing (Western) Ltd. - Assignor
Suite 1300
20 Adelaide Street East
Toronto, Ontario M5C 2T6
Canada

Confederation Leasing Limited - Assignee
321 Bloor Street East
Toronto, Ontario M4H 1H1
Canada

The Canada Lease Assignment sells, transfers, conveys and assigns to Assignee all right, title and interest of Assignor in, to and under that certain Lease, as amended, filed and recorded under Recordation No. 13660.

The Canada Lease Assignment should be recorded under Recordation No. 13660-D .

The equipment covered by the Canada Lease Assignment is as covered by the Lease under Recordation No. 13660, as amended.

A short summary of the Canada Lease Assignment to appear in the ICC Index is as follows:

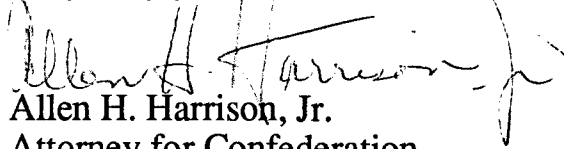
“Covers units in Lease, as amended”

Please also index the Canada Lease Assignment under the name of the Assignee, Confederation Leasing Limited in the “Vendee” Index Book (“white pages”).

Enclosed are checks in the total amount of forty eight dollars (\$48.00) in payment of the filing fees.

Once the filings have been made, please return to bearer the stamped counterpart(s) of the documents not required for filing purposes, together with the fee receipt, the letter from the ICC acknowledging the filings and the two extra copies of this letter of transmittal.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Allen H. Harrison, Jr.", with a stylized flourish at the end.

Allen H. Harrison, Jr.
Attorney for Confederation
Leasing Limited for the purpose
of this filing

The Honorable Sidney L. Strickland, Jr.
Secretary
Interstate Commerce Commission
Washington, D.C. 20423
Enclosures

BY HAND

Interstate Commerce Commission

Washington, D.C. 20423

5/5/92

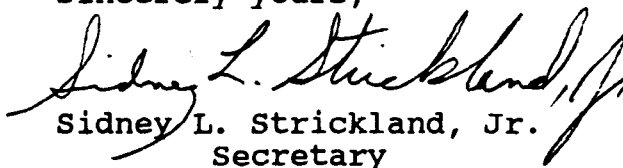
OFFICE OF THE SECRETARY

Allen H. Harrison, Jr.
Donelan, Cleary, Wood & Maser, P.C.
1275 K Street, NW., Ste. 850
Washington, DC. 20005-4075

Dear Sirs:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 5/5/92 at 9:10AM, and assigned recordation number(s). 13660-B, 13660-C and 13660-D.

Sincerely yours,


Sidney L. Strickland, Jr.
Secretary

MAY 5 1992 -9 10 AM

ACKNOWLEDGEMENT OF LEASE AMENDMENT INTERSTATE COMMERCE COMMISSION

THIS ACKNOWLEDGEMENT OF LEASE AMENDMENT is made as of this 31st day of March, 1992.

B E T W E E N:

GREYVEST LEASING INC.,
a corporation existing under the
laws of Canada,

(hereinafter called "Greyvest")

- and -

CANADIAN PACIFIC LIMITED,
a corporation existing under
the laws of Canada,

(hereinafter called the "Lessee")

WHEREAS:

A. North American Car Corporation ("NACC") entered into a Lease of Railroad Equipment dated April 1, 1975 between NACC, as lessor, and the Lessee, as lessee, (the "Lease") providing for the lease of 594 railroad hopper cars ("Railcars"), the Lease having been recorded at the Interstate Commerce Commission on June 11, 1982 as Recordation No. 13660.

B. By Assignment of Lease dated March 31, 1982 between NACC, as assignor, and Manufacturers Hanover Leasing Canada Limited ("MHLCL"), as assignee, NACC transferred, assigned and sold to MHLCL all of its right, title and interest in and to 574 Railcars (the others having been lost, stolen, destroyed or otherwise removed from service) and all of its right, title and interest to and under the Lease.

C. By Agreement of Purchase and Sale of Lease dated November 1, 1983 between Manufacturers Hanover Bank of Canada ("MHB") (formerly, MHLCL), as vendor, and Manufacturers Hanover Leasing (Canada) Inc. ("MHLCI"), as purchaser, MHB assigned, transferred and sold to MHLCI all of its right, title and interest in and to the Railcars and all of its right, title and interest to and under the Lease.

D. On or about June 30, 1988, Greyvest Financial Services Inc. purchased the outstanding shares of MHLCI which subsequently changed its name to Greyvest Equipment Leasing Inc.

E. The Lease was amended by a Lease Amending Agreement dated January 1, 1988 between Greyvest Equipment Leasing Inc. (formerly, MHLCI) and the Lessee (a copy of which is attached hereto as Exhibit A) amending the Lease in respect of 563 Railcars (the others having been lost, stolen, destroyed or otherwise removed from service) to extend its term and provide the Lessee with an option to purchase the Railcars (the "Lease Amending Agreement").

F. On January 1, 1990, Greyvest Equipment Leasing Inc. amalgamated with Greyvest Leasing Inc. to form Greyvest Leasing Inc.

G. The parties wish to record and deposit the Lease Amending Agreement in accordance with Section 20c of the Interstate Commerce Act as contemplated by Section 5 of the Lease Amending Agreement.

NOW THEREFORE for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

1. Greyvest and the Lessee hereby acknowledge that the Lease Amending Agreement was executed by them as of January 1, 1988 and remains in full force and effect without further amendment.

2. Greyvest and the Lessee further acknowledge and agree that this Acknowledgement of Lease Amendment is not intended to create a new lease of the Railcars and that the current Lease shall remain in full force and effect unamended.

3. This Acknowledgement of Lease Amendment is delivered for the purpose of recording and depositing the same with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act.

4. This Acknowledgement of Lease Amendment may be executed in counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument, which shall be sufficiently evidenced by any such original counterpart.

5. This Acknowledgement of Lease Amendment shall be binding upon and enure to the benefit of the parties and their successors and permitted assigns.

6. This Acknowledgement of Lease Amendment shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein except that as to the recording thereof in the United States, the parties hereto will be afforded the protection provided by the recording provisions of the Interstate Commerce Commission contained in 49 U.S.C. Sec. 11303(a).

IN WITNESS WHEREOF the parties hereto have executed this Acknowledgement of Lease Amendment on the date first written above.

APPROVED AS
TO FORM FOR
CPL
msl
C P I LAW DEPT.

CANADIAN PACIFIC LIMITED

By: *Ra Sallu*

Vice-President Marketing & Sales,
Heavy Haul Systems

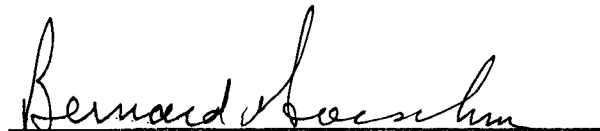
GREYVEST LEASING INC.

By: *A. J. Micallef*

PROVINCE OF BRITISH COLUMBIA
CITY OF VANCOUVER

) In the matter of an
) Acknowledgement of Lease
) Amendment between Greyvest
) Leasing Inc. and Canadian
) Pacific Limited
) made as of March 31, 1992

On this 27th day of April, 1992, before me personally
appeared R.A. SALLEE to me personally known, who,
being by as duly sworn, says that he is the VICE PRESIDENT
of Canadian Pacific Limited, that said instrument
was signed on behalf of said Corporation, that he signed the
said instrument on April 27th, 1992 on behalf of said
Corporation, and he acknowledged that the execution of the
foregoing instrument was the free act and deed of said
Corporation.


Notary Public in and for the
Province of British Columbia

(Notarial Seal)

BERNARD W. HOESCHEN
Barrister & Solicitor
SUITE 360, THE STATION
601 WEST CORDOVA STREET
VANCOUVER, B.C. V6B 1G1
TELEPHONE: 643-3552

My Commission expires N/A.

GWJ*NOTARY2E:VWCORP

PROVINCE OF ONTARIO

CITY OF TORONTO

) In the matter of an
) Acknowledgement of Lease
) Amendment between Greyvest
) Leasing Inc. and Canadian
) Pacific Limited
) made as of March 31, 1992

On this 15th day of April, 1992, before me personally appeared Leonard Micallef to me personally known, who, being by me duly sworn, says that he is the Senior Vice-President of Greyvest Leasing Inc., that said instrument was signed on behalf of said Corporation by authority of its Board of Directors, that he signed the said instrument on April 15, 1992 on behalf of said Corporation, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.



Notary Public in and for the
Province of Ontario

(Notarial Seal)

EXHIBIT A

LEASE AMENDING AGREEMENT

THIS AGREEMENT made as of the 1st day of January, 1988.

B E T W E E N:

GREYVEST EQUIPMENT LEASING INC.

(hereinafter called "Lessor")

OF THE FIRST PART,

- and -

CANADIAN PACIFIC LIMITED

(hereinafter called "Lessee")

OF THE SECOND PART.

WHEREAS North American Car Corporation (Canadian Railcar Division) ("NAC") entered into a Lease of Railroad Equipment ("Lease") dated as of April 1, 1975 with Lessee, providing for the lease by the Lessee of 594 railroad hopper cars;

AND WHEREAS NAC assigned and transferred all of its right, title and interest in and to 574 railroad hopper cars (the others having been lost, stolen, destroyed or otherwise removed from service under the Lease) and the Lease, to Manufacturers Hanover Leasing Canada Limited (now Manufacturers Hanover Bank of Canada) by Assignment of Lease ("Assignment") made as of March 31, 1982 between NAC and Manufacturers Hanover Leasing Canada Limited, a copy of which is attached as Schedule 1 hereto;

AND WHEREAS pursuant to an Agreement of Purchase and Sale between Manufacturers Hanover Bank of Canada and Manufacturers Hanover Leasing (Canada) Inc. dated November 1, 1983, a copy of which is attached as Schedule 2 hereto, Manufacturers Hanover Bank of Canada (formerly Manufacturers

PB

Hanover Leasing Canada Limited) assigned and transferred to Manufacturers Hanover Leasing (Canada) Inc., all of its right, title and interest in and to the Lease (and the railroad hopper cars thereunder) and the Assignment;

AND WHEREAS by Certificate and Articles of Amendment, effective June 30, 1988, Manufacturers Hanover Leasing (Canada) Inc. changed its name to Greyvest Equipment Leasing Inc.;

AND WHEREAS the parties hereto have agreed to amend the Lease as hereinafter set forth.

NOW THEREFORE in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby conclusively acknowledged by each of the parties hereto, the parties agree as follows:

1. INTERPRETATION

1.1 Currency

Except as otherwise stated, all amounts herein are in lawful money of the United States.

1.2 Section Headings

Section headings are for convenience of reference only.

1.3 Schedules

All Schedules hereto form part of this Agreement.

2. AMENDMENTS

The following amendments are hereby made to the Lease:

12

2.1. Units

Schedules A and B to the Lease are hereby deleted and Schedules "A" and "B" to this Agreement are substituted therefor, consisting of descriptions for the 563 railroad hopper cars ("Units") which continue to be utilized by the Lessee under the Lease. The other 31 railway hopper cars have been lost, stolen, destroyed or otherwise removed from service under the Lease.

2.2 Rentals

Section 3 of the Lease is hereby deleted and the following substituted therefor:

3. Rentals

In addition to all previous payments required to be made by Lessee up to and including December 1, 1987 under the former Section 3 to the Lease and, subject to Section 26.1 of the Lease, Lessee agrees to pay to Lessor, in such coin or currency of the United States of America as, at the time payable, shall be legal tender for the payment of public and private debts, as rental, 110 consecutive fixed monthly payments, payable on the first day of each month, commencing January 1, 1988 with respect to the Units described in Schedules A and B to the Lease. The monthly rental payments shall each be in an amount equal to \$200 per Unit. If any of the monthly rental payment dates referred to above is not a business day, the monthly rental payment otherwise payable on such date shall be payable on the next

12

- 4 -

succeeding business day, and no interest shall accrue for the period from and after the nominal date for payment thereof to such next succeeding business day. The Lessee shall make all rental and other payments provided for in this Lease by bank wire transfer to Lessor at its address shown in Section 18 hereof, or at such other address as the Lessor shall verify in writing. The Lessee agrees to make each such payment in immediately available funds in the city where such payment is to be made.

2.3 Term of Lease

Section 4 of the Lease is hereby deleted and the following substituted therefor:

4. TERM OF LEASE. Subject to Section 26.1 of this Lease, the term of this Lease as to each Unit described in Schedule A hereto shall begin on April 1, 1975, and shall terminate on Friday, February 28, 1997 and the term of this Lease as to each Unit described in Schedule B hereto shall begin on July 1, 1975 and shall terminate on February 28, 1997.

2.4 Taxes

Section 7(iii) of the Lease is hereby deleted and the following substituted therefor:

- (iii) upon or on account of the sale, purchase, lease, transfer, ownership, possession, use, operation, maintenance, registration, delivery or return of

the Unit or Units to or by the Lessor or the Lessee, including any sales or other transfer taxes payable upon the exercise of the First Option or Second Option, as defined in Sections 26.1 and 26.2 below;

2.5 Payment for Casualty Occurrences

The Schedule of Casualty Values set out in the middle of Section 8 in the Lease is hereby deleted and Schedule "C" to this Agreement is substituted therefor.

2.6 Return of Units Upon Expiration of Term

Section 14 of the Lease is hereby deleted and the following substituted therefor:

14. Return of Units Upon Expiration of Term

If Lessee chooses not to exercise the Second Option (as defined in Section 26.2 below), Lessee shall, at its sole cost and expense, deliver possession of each Unit to Lessor bearing Lessor's reporting marks at a location within Canada as designated by Lessor by prior written notification to Lessee. The movement of each Unit after the expiration of the term of the Lease shall be at the risk of the Lessee. In the event of loss or destruction of a Unit, regardless of how caused, Lessee shall indemnify Lessor \$1,000 for each such Unit.

Each Unit returned to the Lessor pursuant to this Section 14 shall (i) be in the same operating



order, repair and condition as at the start of the term of this Lease with respect to such Unit, reasonable wear and tear excepted, (ii) have attached or affixed thereto any special device, rack or assembly considered an accession thereto and have removed therefrom any special marking or stencilling, device, rack or assembly not so considered an accession thereto, and (iii) meet the standards then in effect under the Interchange Rules of the Association of American Railroads, if applicable. The assembling, delivery, storage and transporting of the Units as hereinbefore provided are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises the Lessor shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee to so assemble, deliver, store and transport the Units.

2.7 Recording and Expenses

Section 15 of the Lease is hereby deleted and the following substituted therefor:

15. Recording and Expenses

At the request of Lessor, the Lessee will, at Lessee's expense, cause this Lease to be filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act, and deposited in the office of the Registrar General of Canada (notice of such deposit to be forthwith thereafter given



in the Canada Gazette) pursuant to the Railway Act of Canada and the Lessee will from time to time do and perform any other act and will execute, acknowledge, deliver, file, reregister, rerecord or redeposit (and will refile, reregister, rerecord or redeposit whenever required) any and all further instruments required by law or reasonably requested by Lessor for the purpose of proper protection, to the satisfaction of the Lessor, of the Lessor's interests in the Units or for the purpose of carrying out the intention of this Lease.

The Lessee will promptly furnish to the Lessor evidence of all such filing, registering, recording, depositing, refiling, reregistering, rerecording and/or redepositing ("Registrations") and an opinion or opinions of counsel for the Lessee with respect thereto satisfactory to the Lessor.

Alternatively, at the option of Lessor, Lessor may cause to be made the Registrations referred to in this Section 15, all at the expense of Lessee and Lessee appoints Lessor its agent to execute and make such Registrations and agrees to forthwith reimburse the Lessor for the expense thereof.

2.8 Interest on Overdue Rentals

Section 16 of the Lease is hereby amended by deleting the phrase "12% per annum" at line 4 and substituting the phrase "18% per annum" therefor.



2.9 Notices

Section 18 of the Lease is hereby amended by deleting the name and address of NAC and substituting the following therefor:

Greyvest Equipment Leasing Inc., 20 Adelaide Street East, Suite 1300, Toronto, Ontario, M5C 2T6, Attention: Vice-President, Finance.

3. ADDITIONS TO THE LEASE

The Lease is hereby amended by adding the following provisions thereto immediately following Section 25:

26. OPTIONS TO PURCHASE

26.1 First Option to Purchase

As long as an Event of Default shall not have occurred and be continuing, Lessee shall have the option to purchase on July 1, 1996 ("First Option"), all, but not some, of the remaining Units (as at that date) for a purchase price of \$1,650 per Unit. It is agreed by both parties that this amount is a reasonable pre-estimate of the fair market value of the Units as at that time.

26.2 Second Option to Purchase

As long as an Event of Default shall not have occurred and be continuing, Lessee shall have a second option ("Second Option") to purchase on

PR

February 1, 1997 all, but not some, of the remaining Units (as at that date) at the fair market value of the remaining Units, as defined in Section 26.3 below.

26.3 Fair Market Value

The fair market value of the remaining Units shall be an amount agreed upon by Lessor and Lessee; provided that if Lessor and Lessee are unable to agree upon the fair market value of the remaining Units within thirty (30) days after receipt by Lessor of notice of Lessee's election to exercise the Second Option, the fair market value shall be determined by an appraiser selected by mutual agreement of Lessor and Lessee. If Lessor and Lessee are unable to agree upon an appraiser, or if the fair market value is not so determined within forty-five (45) days after receipt by Lessor of Lessee's election to exercise the Second Option, the fair market value shall be determined by American Appraisal Company. If American Appraisal Company is unable to determine the fair market value, for any reason whatsoever, then the fair market value shall be determined in accordance with the Arbitrations Act (Ontario).

26.4 Exercise of Option

If Lessee intends to exercise either the First or Second Option, it shall provide to Lessor written notice, not less than one hundred and twenty (120) days prior to July 1, 1996 or February 1,

1997, as the case may be, of such intention at the address set out in Section 18 of this Lease and shall pay to Lessor on July 1, 1996 or February 1, 1997, as the case may be, the purchase price as set out in Section 26.1 or as calculated in accordance with Section 26.3, as the case may be, together with the rental payment for the succeeding month, by certified cheque or bank draft. Upon payment as required hereby, Lessor shall transfer to Lessee, without recourse or warranty of Lessor (except as to title being free and clear of liens or encumbrances created by or through Lessor) all of its right, title and interest in and to the remaining Units, by execution and delivery to Lessee of a Bill of Sale in a form reasonably satisfactory to Lessee.

26.5 Business Days

If any of the dates referred to in this Section 26 is not a business day, such date shall be deemed to mean the next succeeding business day.

27. USAGE OF UNITS

The Units shall only be used within Canada and the United States of America. Any usage of the Units in other locations must be agreed to in writing by Lessor at its sole discretion.

28. CURRENCY

Except as otherwise stated, all amounts herein are in lawful money of the United States.

12

4. PRESERVATION OF RIGHTS

This Agreement in no way derogates from any rights of Lessor pursuant to any other agreement, including the Assignment, the Equipment Purchase Agreement No. 8203009 between International Capital Equipment Limited and Manufacturers Hanover Leasing Canada Limited signed April 5, 1982 and June 20, 1982 respectively and the Purchase Agreement dated as of July 8, 1982 between Manufacturers Hanover Bank of Canada and NAC.

5. RECORDINGS

Lessor may, at Lessee's expense, cause this Agreement and any further amendments or assignments of the Lease to be filed and recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act, and deposited in the Office of the Registrar General of Canada (notice of such deposit to be forthwith thereafter given in the Canada Gazette) pursuant to the Railway Act (Canada) and, at Lessee's expense, may cause such other filings and registrations to be made, including renewals of such filings or registrations whether in respect of this Agreement or any assignments or amendments of the Lease as are necessary for the purpose of proper protection, to the satisfaction of the Lessor, of the Lessor's interests in the Units or for the purpose of carrying out the intention of this Agreement, or any amendments or assignments of the Lease. Lessee appoints Lessor its agent to execute such registrations and make such filings, and agrees to forthwith reimburse the Lessor for the expense thereof.

Lessee shall from time to time do and perform any act and will execute all instruments required by law for the

PS

purpose of proper protection, to the satisfaction of the Lessor, of the Lessor's interests in the Units or for the purpose of carrying out the intention of this Agreement, or any amendments or assignments of the Lease.

Lessee shall inform Lessor, in a timely fashion, of any recordations, filings, deposits or other acts or documents necessary (including any renewals in respect of this Agreement, the Lease and any amendments or assignments of the Lease) for the proper protection in the United States of the Lessor's interests in the Units.

6. REPRESENTATIONS AND WARRANTIES

6.1 By Lessee

Lessee represents and warrants to and for the benefit of Lessor that:

- A. Lessee is a corporation legally incorporated, validly existing and in good standing under the laws of Canada with full power (corporate and other) to enter into this Agreement, and Lessee is duly qualified to do business as a foreign corporation and is in good standing under the laws of the State of Illinois and such other states or jurisdictions where the nature of its business or the ownership of its properties requires such qualification;
- B. This Agreement has been duly authorized, executed and delivered by the Lessee and it constitutes a valid, legal and binding agreement of the Lessee, enforceable in accordance with its terms;



- C. No approval is required from any public regulatory body with respect to the entering into or performance of this Agreement;
- D. The entering into and performance of this Agreement will not result in any breach of, or constitute a default under, any indenture, mortgage, deed of trust, bank loan or credit agreement or other agreement or instrument to which Lessee is a party or by which it may be bound, nor will such action result in a violation of the provisions of the certificate of incorporation or the by-laws of Lessee or any statute or any order, rule or regulation of any court of governmental agency or body having jurisdiction over Lessee or any of its properties;
- E. No mortgage, deed of trust or other lien of any nature whatsoever (other than such as may be created by Lessor) which now covers or affects, or which may hereafter cover or affect, any property or interest therein of Lessee, now attaches or hereafter will attach to the Units or in any manner affects or will affect adversely Lessor's right, title and interest therein;
- F. No proceedings are pending or threatened against Lessee before any court or governmental agency or body which would materially adversely affect Lessee's condition or operations so as to materially adversely affect Lessee's ability to perform its obligations hereunder;
- G. The only filing and recordation necessary for the proper protection in the United States of the Lessor's

212

- 14 -

interests in the Units is with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act.

- H. All necessary actions and legal requirements, including payment of federal, customs and other taxes, have been completed by Lessee to domesticate 45 of the Units to Canada;
- I. Lessee has delivered an opinion of counsel for Lessee, to Lessor, addressed to Lessor in scope and substance satisfactory to Lessor to the effect set forth in clauses A through H in this Section 6;
- J. All of Lessee's covenants and agreements in the Lease have been duly observed and performed by Lessee up to and including the date of execution of this Agreement and Lessee is not in default in any way under the Lease; and
- K. The Units are only used in Canada and the United States of America.

6.2 By Lessor

- A. All necessary actions and legal requirements, including payment of federal, customs and other taxes, have been completed by Lessor to domesticate 518 of the Units to Canada.

6.3 Survival of Representations and Warranties

All representations and warranties made hereunder and in any document, certificate or statement delivered pursuant

PR

hereto or in connection herewith shall survive the execution and delivery of this Agreement and the completion of the transactions contemplated herein.

7. GENERAL MATTERS

7.1 Further Assurances

Lessee shall forthwith on Lessor's request do, make and execute all such further assignments, documents, acts, matters and things as may be required by Lessor for the furtherance of the transactions contemplated herein.

7.2 Successors and Assigns

This Agreement shall enure to the benefit of and be binding upon the respective successors and permitted assigns of the parties hereto but shall not be assignable without the prior written consent of Lessor.

7.3 Governing Law

This Agreement shall be governed and interpreted in accordance with the laws of the Province of Ontario.

7.4 Counterparts

This Agreement may be executed in counterparts, each of which so executed shall be deemed to be an original and in each case such counterparts shall, when taken together, constitute the same instrument.

JB

8. LEASE

8.1 Force and Effect

With the exception of the foregoing amendments, the Lease shall continue in full force and effect, unamended.

Schedules:

- A. List of Units
- B. List of Units
- C. Casualty Values
- 1. Assignment of Lease
- 2. Agreement of Purchase and Sale

GREYVEST EQUIPMENT LEASING INC.

By: [Signature]
Title: VICE PRESIDENT - CONTROLLER

By: [Signature]
Title: ASSISTANT CONTROLLER

Date of Execution:

CANADIAN PACIFIC LIMITED

By: [Signature]
Title: Vice-President

By: [Signature]
Title: ASSISTANT SECRETARY

C/S

Date of Execution

01858

HCWL

SCHEDULE "A"
To Lease Amending Agreement

<u>NO. OF CARS</u>	<u>TYPE OF CAR</u>	<u>SERIAL NUMBERS</u>	<u>REPORTING MARKS</u>
397	4,427 cubic foot capacity	NAHX 47670 - 47783	CPAA 388,000 - 388,113
	Covered Hopper Cars	NAHX 47785 - 47798	CPAA 388,115 - 388,128
		NAHX 47800 - 47968	CPAA 388,130 - 388,298
		NAHX 47970 - 48069	CPAA 388,300 - 388,399

All serial numbers and reporting marks above are inclusive except that they do not include twenty-four (24) units bearing the following serial numbers and reporting marks which have been lost, stolen, destroyed, or otherwise removed from service:

<u>SERIAL NUMBERS</u>	<u>REPORTING MARKS</u>	<u>SERIAL NUMBERS</u>	<u>REPORTING MARKS</u>
NAHX 47672	CPAA 388,002	NAHX 47922	CPAA 388,252
NAHX 47717	CPAA 388,047	NAHX 47937	CPAA 388,267
NAHX 47745	CPAA 388,075	NAHX 47938	CPAA 388,268
NAHX 47761	CPAA 388,091	NAHX 47941	CPAA 388,271
NAHX 47808	CPAA 388,138	NAHX 47961	CPAA 388,291
NAHX 47863	CPAA 388,193	NAHX 47962	CPAA 388,292
NAHX 47868	CPAA 388,198	NAHX 47972	CPAA 388,302
NAHX 47878	CPAA 388,208	NAHX 47990	CPAA 388,320
NAHX 47895	CPAA 388,225	NAHX 48009	CPAA 388,339
NAHX 47901	CPAA 388,231	NAHX 48018	CPAA 388,348
NAHX 47908	CPAA 388,238	NAHX 48048	CPAA 388,378
NAHX 47913	CPAA 388,243	NAHX 48066	CPAA 388,396

112

SCHEDULE "B"
To Lease Amending Agreement

<u>NO. OF CARS</u>	<u>TYPE OF CAR</u>	<u>SERIAL NUMBERS</u>	<u>REPORTING MARKS</u>
197	4,427 cubic foot capacity Covered Hopper Cars	NAHX 47200 - 47229	CPAA 387,600 - 387,629
		NAHX 47500 - 47537	CPAA 387,630 - 387,667
		NAHX 47539 - 47563	CPAA 387,669 - 387,693
		NAHX 47565 - 47599	CPAA 387,695 - 387,729
		NAHX 47600 - 47620	CPAA 387,730 - 387,750
		NAHX 47622 - 47669	CPAA 387,752 - 387,799

All serial numbers and reporting marks above are inclusive except that they do not include seven (7) units bearing the following serial numbers and reporting marks which have been lost, stolen, destroyed, or otherwise removed from service:

<u>SERIAL NUMBERS</u>	<u>REPORTING MARKS</u>	<u>SERIAL NUMBERS</u>	<u>REPORTING MARKS</u>
NAHX 47229	CPAA 387,629	NAHX 47533	CPAA 387,663
NAHX 47515	CPAA 387,645	NAHX 47570	CPAA 387,700
NAHX 47522	CPAA 387,652	NAHX 47620	CPAA 387,750
NAHX 47523	CPAA 387,653		

AB

SCHEDULE "C" TO LEASE AMENDING AGREEMENT

CASUALTY VALUES FOR UNITS LISTED IN SCHEDULE "A" TO LEASE AMENDING AGREEMENT

(Month/Day/Year) AFTER RENTAL PAYMENT DATED	AMOUNT PER UNIT	(Month/Day/Year) AFTER RENTAL PAYMENT DATED	AMOUNT PER UNIT
1/1/88	\$ 10,768.14	1/1/93	\$ 6,927.83
2/1/88	10,728.02	2/1/93	6,830.69
3/1/88	10,687.31	3/1/93	6,732.11
4/1/88	10,645.99	4/1/93	6,632.07
5/1/88	10,604.06	5/1/93	6,530.54
6/1/88	10,561.51	6/1/93	6,427.50
7/1/88	10,518.32	7/1/93	6,322.94
8/1/88	10,474.50	8/1/93	6,216.82
9/1/88	10,430.02	9/1/93	6,109.12
10/1/88	10,384.88	10/1/93	5,999.83
11/1/88	10,339.07	11/1/93	5,888.92
12/1/88	10,292.58	12/1/93	5,776.35
1/1/89	10,245.41	1/1/94	5,662.12
2/1/89	10,197.53	2/1/94	5,546.19
3/1/89	10,148.94	3/1/94	5,428.54
4/1/89	10,099.63	4/1/94	5,309.14
5/1/89	10,049.58	5/1/94	5,187.97
6/1/89	9,998.80	6/1/94	5,065.00
7/1/89	9,947.26	7/1/94	4,940.20
8/1/89	9,894.95	8/1/94	4,813.55
9/1/89	9,841.87	9/1/94	4,685.02
10/1/89	9,788.00	10/1/94	4,554.58
11/1/89	9,733.33	11/1/94	4,422.21
12/1/89	9,677.84	12/1/94	4,287.87
1/1/90	9,621.54	1/1/95	4,151.53
2/1/90	9,564.40	2/1/95	4,013.17
3/1/90	9,506.41	3/1/95	3,872.76
4/1/90	9,447.56	4/1/95	3,730.26
5/1/90	9,387.83	5/1/95	3,585.65
6/1/90	9,327.22	6/1/95	3,438.89
7/1/90	9,265.71	7/1/95	3,289.95
8/1/90	9,203.28	8/1/95	3,138.80
9/1/90	9,139.93	9/1/95	2,985.40
10/1/90	9,075.64	10/1/95	2,829.73
11/1/90	9,010.39	11/1/95	2,671.74
12/1/90	8,944.17	12/1/95	2,511.41
1/1/91	8,876.97	1/1/96	2,348.70
2/1/91	8,808.78	2/1/96	2,183.57
3/1/91	8,739.57	3/1/96	2,015.99
4/1/91	8,669.33	4/1/96	1,845.93
5/1/91	8,598.05	5/1/96	1,673.33
6/1/91	8,525.71	6/1/96	1,498.18
7/1/91	8,452.30	7/1/96	1,320.42
8/1/91	8,377.80	8/1/96	1,140.03
9/1/91	8,302.19	9/1/96	956.96
10/1/91	8,225.46	10/1/96	771.16
11/1/91	8,147.59	11/1/96	582.61
12/1/91	8,068.56	12/1/96	391.26
1/1/92	7,988.36	1/1/97	197.07
2/1/92	7,906.97	2/1/97	0.00
3/1/92	7,824.37		
4/1/92	7,740.54		
5/1/92	7,655.47		
6/1/92	7,569.14		
7/1/92	7,481.53		
8/1/92	7,392.61		
9/1/92	7,302.37		
10/1/92	7,210.80		
11/1/92	7,117.86		
12/1/92	7,023.54		

Handwritten signature

- 2 -

**CASUALTY VALUES FOR UNITS LISTED
IN SCHEDULE "B" TO LEASE AMENDING AGREEMENT**

<u>(Month/Day/Year)</u> <u>AFTER RENTAL</u> <u>PAYMENT DATED</u>	<u>AMOUNT</u> <u>PER UNIT</u>	<u>(Month/Day/Year)</u> <u>AFTER RENTAL</u> <u>PAYMENT DATED</u>	<u>AMOUNT</u> <u>PER UNIT</u>
1/1/88	\$ 10,854.88	1/1/93	\$ 6,957.79
2/1/88	10,813.90	2/1/93	6,859.71
3/1/88	10,772.32	3/1/93	6,760.21
4/1/88	10,730.13	4/1/93	6,659.24
5/1/88	10,687.32	5/1/93	6,556.80
6/1/88	10,643.89	6/1/93	6,452.85
7/1/88	10,599.81	7/1/93	6,347.38
8/1/88	10,555.10	8/1/93	6,240.37
9/1/88	10,509.72	9/1/93	6,131.79
10/1/88	10,463.69	10/1/93	6,021.62
11/1/88	10,416.98	11/1/93	5,909.83
12/1/88	10,369.58	12/1/93	5,796.41
1/1/89	10,321.49	1/1/94	5,681.32
2/1/89	10,272.70	2/1/94	5,564.55
3/1/89	10,223.19	3/1/94	5,446.07
4/1/89	10,172.95	4/1/94	5,325.85
5/1/89	10,121.98	5/1/94	5,203.87
6/1/89	10,070.27	6/1/94	5,080.11
7/1/89	10,017.79	7/1/94	4,954.53
8/1/89	9,964.55	8/1/94	4,827.11
9/1/89	9,910.52	9/1/94	4,697.83
10/1/89	9,855.71	10/1/94	4,566.65
11/1/89	9,800.09	11/1/94	4,433.55
12/1/89	9,743.66	12/1/94	4,298.50
1/1/90	9,686.40	1/1/95	4,161.47
2/1/90	9,628.30	2/1/95	4,022.43
3/1/90	9,569.35	3/1/95	3,881.36
4/1/90	9,509.54	4/1/95	3,738.22
5/1/90	9,448.85	5/1/95	3,592.98
6/1/90	9,387.27	6/1/95	3,445.62
7/1/90	9,324.79	7/1/95	3,296.10
8/1/90	9,261.40	8/1/95	3,144.38
9/1/90	9,197.07	9/1/95	2,990.45
10/1/90	9,131.80	10/1/95	2,834.25
11/1/90	9,065.58	11/1/95	2,675.77
12/1/90	8,998.39	12/1/95	2,514.97
1/1/91	8,930.21	1/1/96	2,351.82
2/1/91	8,861.04	2/1/96	2,186.27
3/1/91	8,790.85	3/1/96	2,018.30
4/1/91	8,719.63	4/1/96	1,847.87
5/1/91	8,647.37	5/1/96	1,674.94
6/1/91	8,574.05	6/1/96	1,499.47
7/1/91	8,499.65	7/1/96	1,321.44
8/1/91	8,424.17	8/1/96	1,140.80
9/1/91	8,347.58	9/1/96	957.51
10/1/91	8,269.87	10/1/96	771.54
11/1/91	8,191.02	11/1/96	582.84
12/1/91	8,111.01	12/1/96	391.38
1/1/92	8,029.84	1/1/97	197.11
2/1/92	7,947.47	2/1/97	0.00
3/1/92	7,863.90		
4/1/92	7,779.10		
5/1/92	7,693.06		
6/1/92	7,605.76		
7/1/92	7,517.18		
8/1/92	7,427.31		
9/1/92	7,336.11		
10/1/92	7,243.59		
11/1/92	7,149.70		
12/1/92	7,054.44		

PB